

SKYTERRA COMMUNICATIONS INC
 Form 4
 July 27, 2005

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HARBERT DISTRESSED INVESTMENT MASTER FUND LTD

(Last) (First) (Middle)

C/O INTERNATIONAL FUND SERVICES, THIRD FL BISHOP SQUARE REDMONDS HILL

(Street)

DUBLIN IRELAND, L2 00000

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SKYTERRA COMMUNICATIONS INC [SKYT]

3. Date of Earliest Transaction (Month/Day/Year)
 07/25/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 07/25/2005 | | P | | 5,865 | A | \$ 36.69 |
| | | | | | 1,163,160 ⁽¹⁾ | D | |
| Common Stock | 07/25/2005 | | P | | 0 | A | \$ 0 |
| | | | | | 1,163,160 ⁽²⁾ | I | |
| Common Stock | 07/25/2005 | | P | | 175 | A | \$ 36.69 |
| | | | | | 34,740 ⁽³⁾ | I | |

By Harbert Distressed Investment Master Fund, Ltd
 By Alpha US Sub Fund VI,

| | | | | | | | LLC | |
|--------------|------------|--|---|-------|---|----------|----------------------------|---|
| Common Stock | 07/26/2005 | | P | 2,430 | A | \$ 36.15 | 1,165,590 ⁽¹⁾ D | |
| Common Stock | 07/25/2005 | | P | 0 | A | \$ 0 | 1,165,590 ⁽²⁾ I | By Harbert Distressed Investment Master Fund, Ltd |
| Common Stock | 07/26/2005 | | P | 70 | A | \$ 36.15 | 34,810 ⁽³⁾ I | By Alpha US Sub Fund VI, LLC |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HARBERT DISTRESSED INVESTMENT MASTER FUND LTD C/O INTERNATIONAL FUND SERVICES THIRD FL BISHOP SQUARE REDMONDS HILL DUBLIN IRELAND, L2 00000 | | | X | |
| HMC DISTRESSED INVESTMENT OFFSHORE MANAGER LLC ONE RIVERCHASE PARKWAY SOUTH | | | X | |

BIRMINGHAM, AL 35244

HMC INVESTORS LLC
ONE RIVERCHASE PARKWAY SOUTH X
BIRMINGHAM, AL 35244

FALCONE PHILIP
555 MADISON AVE X
16TH FLOOR
NEW YORK, NY 10022

HARBERT RAYMOND J
ONE RIVERCHASE PARKWAY SOUTH X
BIRMINGHAM, AL 35244

LUCE MICHAEL D
ONE RIVERCHASE PARKWAY SOUTH X
BIRMINGHAM, AL 35244

Signatures

Harbert Distressed Investment Master Fund, Ltd., HMC Distressed Investment Offshore Manager, LLC, By: HMC Investors, LLC, Managing Member, By: /s/ Joel B. Piassick 07/27/2005
 __Signature of Reporting Person Date

HMC Distressed Investment Offshore Manager, LLC By: HMC Investors, LLC, Managing Member By: /s/ Joel Piassick 07/27/2005
 __Signature of Reporting Person Date

HMC Investors, LLC by : /s/ Joel Piassick 07/27/2005
 __Signature of Reporting Person Date

By: /s/ Philip Falcone 07/27/2005
 __Signature of Reporting Person Date

By: /s/ Raymond J. Harbert 07/27/2005
 __Signature of Reporting Person Date

By: /s/ Michael D. Luce 07/27/2005
 __Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) These securities are owned by Harbert Distressed Investment Master Fund, Ltd., which is a Reporting Person.

These securities may be deemed to be beneficially owned by HMC Distressed Investment Offshore Manager, L.L.C. ("HMC Management"), the investment manager of Harbert Distressed Investment Master Fund, Ltd., HMC Investors, L.L.C., its managing member ("HMC Investors"), Philip Falcone, a member of HMC Management and the portfolio manager of Harbert Distressed Investment

(2) Master Fund, Ltd., Raymond J. Harbert, a member of HMC Investors, and Michael D. Luce, a member of HMC Investors. Each such Reporting Person disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

(3) These securities may be deemed to be beneficially owned by HMC Investors, Philip Falcone, who is the portfolio manager of Alpha US Sub Fund VI, LLC, Raymond J. Harbert and Michael D. Luce. Each such Reporting Person disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended,

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or for any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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